

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 4/5/2016	(3) CONTACT/PHONE Jeff Werst, Design Division Manager, (805) 781-4480	
(4) SUBJECT Submittal of bid opening report for 2015-16 Chip Seal, Various County Roads, San Luis Obispo County, to award the subject contract to Northwest Paving, Inc. the lowest responsive, responsible bidder, in the amount of \$925,935; approve an agreement for professional engineering services with Wallace Group in the amount of \$153,056 for construction management services; and authorize a corresponding budget adjustment for a total amount of \$1,290,770 to increase the appropriation. Districts 1, 4 and 5.			
(5) RECOMMENDED ACTION In accordance with applicable State Law, it is recommended that the Board: <ol style="list-style-type: none"> <li>1. Award the subject contract (no. 300563) base bid, Additive 2 and Additive 3 to Northwest Paving, Inc., the lowest responsive, responsible bidder, at \$925,935; and</li> <li>2. Authorize the Public Works Director or his designee to approve change orders for a contingency amount up to \$92,594, for a final total construction amount of \$1,018,529; and</li> <li>3. Approve and execute an agreement for professional engineering services with Wallace Group in the amount of \$153,056 for construction management services on the 2015-16 Chip Seal, Various County Roads Project and authorize the Public Works Director to sign future amendments to the agreement in the amount not to exceed a contingency of \$15,000 for a total budget amount of \$168,056.</li> <li>4. Authorize a budget adjustment in the amount of \$1,290,770 to increase the appropriation, by 4/5 vote.</li> </ol>			
(6) FUNDING SOURCE(S) Road Fund - Pavement Management Program	(7) CURRENT YEAR FINANCIAL IMPACT Estimated Project Costs = \$1,290,770.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  19001634		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1516122 <input checked="" type="checkbox"/> 4/5 Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: 1/12/16 #2	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) District 1 District 4 District 5			

Reference: 16APR05-C-1

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works  
Jeff Werst, Design Division Manager  
Don Spagnolo, Project Manager

VIA: Dave Flynn, Deputy Director of Public Works

DATE: 4/5/2016

SUBJECT: Submittal of bid opening report for 2015-16 Chip Seal, Various County Roads, San Luis Obispo County, to award the subject contract to Northwest Paving, Inc. the lowest responsive, responsible bidder, in the amount of \$925,935; approve an agreement for professional engineering services with Wallace Group in the amount of \$153,056 for construction management services; and authorize a corresponding budget adjustment for a total amount of \$1,290,770 to increase the appropriation. Districts 1, 4 and 5.

## **RECOMMENDATION**

In accordance with applicable State Law, it is recommended that the Board:

1. Award the subject contract (no. 300563) base bid, Additive 2 and Additive 3 to Northwest Paving, Inc., the lowest responsive, responsible bidder, at \$925,935; and
2. Authorize the Public Works Director or his designee to approve change orders for a contingency amount up to \$92,594, for a final total construction amount of \$1,018,529; and
3. Approve and execute an agreement for professional engineering services with Wallace Group in the amount of \$153,056 for construction management services on the 2015-16 Chip Seal, Various County Roads Project and authorize the Public Works Director to sign future amendments to the agreement in the amount not to exceed a contingency of \$15,000 for a total budget amount of \$168,056.
4. Authorize a budget adjustment in the amount of \$1,290,770 to increase the appropriation, by 4/5 vote.

## **DISCUSSION**

In accordance with direction from your Board, bids for the subject contract were opened on Monday, February 8, 2016.

Seven bids were received. They are as follows:

<b><u>Bidder</u></b>	<b><u>Base Bid</u></b>	<b><u>Additive 1</u></b>	<b><u>Additive 2</u></b>	<b><u>Additive 3</u></b>	<b><u>Total Bid</u></b>
Northwest Paving, Inc.	\$755,965.00	\$78,640.00	\$112,330.00	\$57,640.00	\$1,004,575.00
Intermountain Slurry Seal, Inc.	\$793,189.00	\$92,899.00	\$133,368.00	\$62,632.00	\$1,082,088.00
VSS International, Inc.	\$796,575.00	\$102,138.00	\$144,698.00	\$71,022.00	\$1,114,433.00
Viborg Sand & Gravel, Inc.	\$796,579.34	\$94,892.32	\$162,590.25	\$73,693.12	\$1,127,755.03
American Pavement Systems	\$930,393.90	\$110,568.60	\$181,329.50	\$97,654.00	\$1,319,946.00
Pavement Coatings Company	\$945,110.55	\$117,441.63	\$165,516.00	\$78,233.20	\$1,306,301.38
Graham Contractors, Inc.	\$974,100.25	\$105,359.00	\$211,442.00	\$77,825.00	\$1,368,726.25
<b>Engineer's Estimate</b>	<b>\$598,400.00</b>	<b>\$71,850.00</b>	<b>\$97,950.00</b>	<b>\$52,350.00</b>	<b>\$820,550.00</b>

The low bid came in 18% above the Engineer's Estimate. This appears to be reflective of increased prices for screening ("chips") compared with prices included on the Engineer's Estimate. We have reviewed the submittal from Northwest Paving, Inc. and verified that they are the lowest responsive, responsible bidder. In consideration of funding availability, it is recommended that Additive Bid Items 2 and 3 be included in the contract award. The Gas Company is currently constructing a major transmission line upgrade on El Camino Real, and it is therefore recommended that Additive Bid Item 1 not be awarded and the work be deferred to a future contract.

#### Construction Management Contract

In accordance with County Purchasing Policies and to augment current staffing, the County solicited Request for Proposal PS-1340 for Construction Management and Inspection Services for the project. The RFP requested proposals for professional services including construction management, inspection, engineering, and material testing services during construction of the project.

Proposals were received and reviewed by a selection committee consisting of Public Works and County Administration staff. At the end of the process Wallace Group was selected as the top firm based on the combination of points and individual rank by all three members of the selection committee based on their technical ability, approach and understanding, and experience of personnel in performing similar work.

Consequently, it is recommended that the Board approve the contract with Wallace Group to provide construction management and inspection for the 2015-16 Chip Seal, Various County Roads Contract in the amount of \$153,056 plus contingencies of \$15,000, for a final contract budget of \$168,056.

#### Project Background Information

This chip seal contract is part of the Department of Public Works Annual Maintenance Program which provides for the resurfacing of existing paved roads to extend the service life of the pavement. This work is necessary to halt further deterioration of these paved roads, and improve safety and operation. The project is a component of the pavement rehabilitation program that will be completed utilizing the \$11.2M (\$9.3M for pavement overlay and \$1.9M for pavement seal coats) from this fiscal year's program.

The contract provides for a chip seal on 30 miles of various County maintained roadways in the areas surrounding San Miguel, Atascadero, Pozo/Parkhill and Nipomo. The road segments selected for resurfacing are selected through the County's Pavement Management System and are identified in the 2015 Pavement Management Report.

Chip sealing is a process that includes the application of a polymer modified asphalt emulsion binder to which a layer of 5/16" aggregate is applied, providing a smooth wearing surface for vehicles and bicycles, while extending pavement life.

Based on the bids received and the balance of funds available in the program, Additive Bids 2 and 3 will be awarded.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

Area utility companies were notified of our construction schedule and advised to proceed with any subsurface work prior to our chip seal project. Various utility valve lids, manholes and vaults will be protected during construction and will not be affected by the project.

County Counsel has approved the contract as to legal form and effect. The County Clerk formally processes the bid openings.

The County Environmental Coordinator has reviewed the project and determined that it is exempt from CEQA.

### **FINANCIAL CONSIDERATIONS**

This is a Pavement Management project not budgeted in the Road Fund FY 2015-16. The total project costs are estimated at \$1,290,770, resulting in a funding shortfall of \$1,290,770. Based on the balance of the Pavement Management funds available, the construction base bid and additive bid items 2&3 can be awarded. Funding for the project will come from the Road Fund - Pavement Management Program.

This project also includes an Agreement with Wallace Group, for Construction Management Services, in the amount of \$153,056. It also provides for authorization of future amendments not to exceed an amount of \$15,000, for a total of \$168,056.

To reconcile the funding shortfall of \$1,290,770, a budget adjustment is necessary. There is remaining budget in the completed FY 14-15 AC Overlay WBS 300519 and the near completed FY 15-16 AC Overlay 300550 Project #1 - Nipomo and a portion of each of these projects need to be transferred to this project. It is necessary for the Board to authorize a budget adjustment, in the amount of \$1,290,770, by a 4/5<sup>th</sup> vote to increase the appropriation of the project.

Please see Exhibit "A" for an estimated cost breakdown of the project.

### **RESULTS**

The immediate result of the recommended action will be the construction of this project, which will improve the road for the safety of the motoring public. This, in turn, will result in a safer, more livable community.

## **ATTACHMENTS**

1. Vicinity Map
2. Exhibit A – Project Cost Estimates
3. Agreement for Professional Engineering Services

File: Contract No. 300563

c: Resident Engineer  
Construction Engineer  
Northwest Paving, Inc., Contractor

Reference: 16APR05-C-1

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